

2003 Interim Report

Janéa Holmquist State Representative

13th Legislative District



Dear Friends

The 2003 legislative session was a resounding victory for the taxpayers of Washington, families who need jobs, and the employers who provide those jobs. The extra 31 days of special session were long and frustrating, but ultimately worth the effort.

At the end of the 2003 regular legislative session in Olympia in April, lawmakers adjourned with a Democrat-proposed \$360 million tax increase on the table and very little to show for our push to create new job opportunities for Washington's working families. We knew we had more work to do to accomplish our primary objectives of creating jobs and restoring the public's trust in government.

Critical to the trust issue was our ability to have government share in the challenges of these difficult economic times by balancing the budget without raising taxes. Families have had to make hard decisions and it was time for government to do the same. In the end, we adopted a bipartisan operating budget that requires no new general fund taxes. That's \$360 million Washington taxpayers won't have to pay.

As always I welcome your questions and concerns regarding legislative issues. I am also happy to assist you in your dealings with state government. My job is to serve you, as well as represent you, so please contact me if I can help.

Sincerely,

Janéa Holmquist State Representative

Olympia Office:

P.O Box 40600 421 John L.O'Brien Building Olympia, WA 98504-0600 Phone: 360-786-7932 *

Holmquist District Office opened in Moses Lake



I'm pleased to have my 13th District Legislative Office open in Moses Lake once again for your convenience. Meetings by appointment are available, or just drop in to say hello.

Here's where you can contact me if you need assistance:

■ Moses Lake District Office:

408 W. 4th St. Moses Lake, WA 98837 (509) 766-6585

Office Hours: Monday through Thursday 7 a.m. to 5 p.m.

My district office will be open through the end of the year.

You can also continue to reach me by leaving a message on the toll-free Legislative Hotline at 1-800-562-6000, or by e-mail at holmquis_ja@leg.wa.gov.

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Responsible budget averts tax increase

With our state facing the worst economic recession in a generation, House and Senate Republicans felt it was important that the Legislature not place a greater burden on taxpayers in our state. The operating budget deficit was approaching \$3 billion, yet we insisted that government establish priorities and make the tough choices to make government live within its means, just as families and businesses must do during tough economic times.

House Democrats proposed a \$360 million tax increase to fund pay raises for government employees, while making deep cuts in services for the elderly, the developmentally disabled and other vulnerable citizens. It would have been irresponsible to raise taxes on families in our state, many of whom have lost their jobs, in order to provide pay raises to state workers.

In the end, a bipartisan coalition of lawmakers prevailed and adopted a nonew-tax budget that focuses limited resources on our most pressing priorities while attempting to protect services for the truly needy.

Rural health care still on life support

Rural health care providers are still facing an uphill battle in maintaining services throughout Washington. It's important that we stop this trend that is forcing rural residents to travel an hour or more to find care for themselves or loved ones. The budget approved by the Legislature will provide direct Proshare payments of \$9.6 million to 14 participating rural hospitals, but I fear it may not be enough to save many struggling health care providers. This Proshare money, however, does not reach some hospitals, such as Soap Lake's hospital, which is at risk of closing its doors.



Fixing health care statewide

Our state's health care system is being strangled by government mandates and legal costs that make health insurance too expensive for lower- and middle-income workers. Reforms are needed to

give employers more options for offering affordable coverage to their employees.

Furthermore, medical malpractice insurance reform would bring down the cost of health care and stop the trend of physicians who are closing their doors and leaving rural Washington because the cost of staying in business is too high.

House Republicans also pushed for true senior prescription drug assistance – that would have done more to help all seniors get more affordable prescriptions. Unfortunately, our plan was rejected. Instead, the Legislature took only a small step in the right direction by approving legislation that will save the state money on medications for people on government-funded health coverage.

Bill to lift trapping ban snared by governor's veto

Further evidence of the rift between the governor's office and his understanding of our rural communities was his decision to veto the bill that would have lifted the ban on trapping nuisance animals. The Legislature approved Senate Bill 5179, that would have allowed trapping of animals that cause damage to public and private property.

The governor's own director of the Department of Fish and Wildlife urged him to sign the bill, but the governor bowed to special interests and vetoed the measure.

Solutions for a better economy by creating jobs

While we believe government is on the right fiscal path, our economy clearly is not. No one better understands the gravity of our situation than those of us in rural Washington. Grant County and our region would love to bring in new jobs from Boeing's new 7E7 assembly, but it's become clear that Washington does not offer a competitive environment for business. So we worked with a coalition of businesses and labor groups to adopt reforms that will help restore our economy and bring jobs to our state.

Historic tax reforms

One of the main obstacles to bringing jobs to Washington is our state's enormously expensive unemployment insurance and workers' compensation systems. It costs Boeing \$772 per employee in payroll taxes in Washington. By comparison, the company pays \$378 per worker in California and \$105 per worker, in Kansas, which is a contender for the 7E7 production.

As a member of the House Commerce and Labor Committee, I worked to improve Washington's competitiveness to attract jobs for working families. This session we were successful in adopting unemployment insurance and workers' compensation reforms to protect workers and control costs for employers who have been paying into a program that costs three times the national average.

<u>Road maintenance</u> <u>requirements eased</u>



As a member of the House Agriculture and Natural Resources Committee, I was pleased that we were successful in alleviating the regulatory burden on rural landowners who have faced an unreasonable expense in complying with the road maintenance provision of the state's forest and fish plan. The Legislature adopted House Bill 1095, to ease costly road maintenance requirements by excluding small residential property and lands used primarily for agricultural purposes. The requirements were also significantly streamlined for small forest landowners.

<u>Hits and misses on</u> <u>water policy reforms</u>

Our water resources, already stretched between the needs of fish, agriculture, economic development, and hydropower generation, have been put at further risk by government's snarled water management approach. House Republicans have worked to ensure that the integrity of the state's western water law is maintained and that existing water rights are upheld.

This session we adopted legislation to improve flexibility for communities that have run into bureaucratic obstacles when trying to accommodate economic development and residential needs.

Senate Bill 5028, which also passed, was intended to prevent the DOE from infringing on the rights of water users, but also increases DOE's civil penalty authority from \$100 to \$5,000 per day. While I appreciate the efforts that went into this legislation, I voted against the bill because it did not go far enough to protect water rights. The mistrust of DOE's decision-making warrants stronger protections for water users against regulatory excesses.

The Legislature also passed House Bill 1336, a watershed planning bill. I support the concept of this measure but ultimately opposed the language of the bill, which was imprecise, causing a great burden on counties and planning unit members who wish to use their planning product without making it mandatory.

Two priority issues that did not survive the legislative process include measures to end use-it-or-lose-it water right policies and the exemption of stock water wells from DOE permitting. I will continue to work on these important changes in the next session.

Local communities denied control over planning decisions



Among the lessons of this recent economic downturn is that communities cannot take economic growth for granted. Rural communities have been at odds with state government for years over one-size-fits-all land-use planning, which often strangles economic development efforts for communities desperately in need of jobs.

We were encouraged by the adoption of House Bill 5659, which would have allowed at least one rural county to exempt itself from the GMA requirements. Unfortunately, Gov. Gary Locke vetoed the opt-out provision, keeping rural communities under the heavy hand of state planners.

Governor sidesteps accountability measures

One of the reasons citizens have lost faith in government is the regulatory excess of state agencies. These agency regulations are drafted and implemented by unelected bureaucrats, yet often have the force of law and can have a chilling effect on our economy.

This session I supported several bills to give citizens a stronger voice in fighting against excessive regulation. One bill approved would have required the governor to sign all significant new rules drafted by his administration before they could take effect. This would have provided a great deal

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of accountability by requiring the state's chief elected official to sign off on new rules, rather than adopting them under the veil of faceless state agency bureaucrats.

But apparently the governor didn't care for this degree of accountability. He vetoed this protective measure, shunning responsibility for the actions of his own administration.

One-day special session to save taxpayers \$7 million

Lawmakers and the governor's office have reached agreement to hold a one-day special session during the first week of December to pass one bill canceling next year's presidential primary. Since Democrats do not use the results of the primary to select delegates in Washington and Republicans are simply renominating President Bush, the presidential primary will have no affect on the nomi-



nating process, and yet would cost the state \$7 million.

We all agree that this would be an unwise use of taxpayer money. The bill would not affect primary elections for races other than the presidential race, and suspend the presidential primary next year only, continuing it in the next election cycle.

As Assistant Floor Leader,
Rep. Holmquist is a member
of the House Republican
Leadership team that sets
priorities and the policy
agenda for the caucus.

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